



**Satellite Broadcasting  
and Communications  
Association**

**Testimony of Lori Kalani  
Chairman of the Board  
Satellite Broadcasting & Communications Association**

**Before the State of Connecticut General Assembly  
Joint Committee on Energy and Technology  
Regarding Connecticut Proposed Bill No. 6634**

**March 12, 2009**

Chairwoman Nardello and Chairman Fonfara, and members of the Committee, thank you for the opportunity to testify before the Joint Committee. My name is Lori Kalani, and I serve as the Chairman of the Satellite Broadcasting & Communications Association of America ("SBCA").

The SBCA is the national trade organization representing all segments of the satellite industry, including Direct Broadcast Satellite providers—DISH Network and DIRECTV, as well as distributors, installers, manufacturers, and retailers.

The SBCA opposes H.B. 6634. This bill would impose a penalty on those satellite TV providers who do not "provide transmission of the Connecticut Television Network or its successor to all subscribers."

This bill suffers from an insurmountable legal flaw. It is preempted by federal law, and is therefore unconstitutional. Along with my testimony, I have submitted a letter today from our outside counsel that describes this legal defect in more detail.

For the moment, however, I'd like to set aside the legal obstacles and acknowledge the importance that our industry places on providing public interest programming to our subscribers and explain how technology affects the manner in which we provide it.

As users of the public spectrum, the DBS industry appreciates that we have an obligation to serve the public interest. We take this obligation very seriously, and we meet it by setting aside four percent of our total channel capacity for not-for-profit public interest programming. Federal law requires that. And our subscribers expect and demand it.

But, the "community" we serve is not just the city of Hartford, or even the entire state of Connecticut—though they are certainly part of our community. Unlike cable providers, which by their very nature serve one market at a time, the community served by DBS providers is the entire nation.

Cable is provided through a vast network of wires that wind under and over Connecticut's streets and telephone poles. DBS companies do not require the use of public rights of ways. Instead, we provide service by using a small number of satellites that broadcast programming signals that can be received from anywhere in the United States. Those satellites only have so much capacity with which to broadcast programming channels. Every bit of our limited ability to provide localized programming is currently being used to retransmit local commercial broadcast stations—and we cannot even provide that service in every market. We simply do not have the capability of targeting individual communities, or even entire states, with any other geographically specific programming.

Being a national service, however, allows us to offer different and equally beneficial public interest programming to our subscribers.

As required by federal law, the public interest programming that we carry is available to each and every one of our subscribers across the nation. In fact, precisely because we provide service to the nation as a whole, we can support niche programming that serves the varied interests of subscribers that reside in all corners of the nation. These are interests that we could not serve if we were as geographically limited as our cable competitors. Some of the public interest channels that we are able to provide include: the Pentagon Channel, which broadcasts military news; Colours TV, which offers multi-cultural and multi-ethnic programming; and the Classic Arts Showcase, which plays film clips of the arts from various eras. These are just a few, but the list goes on and on.

For all of these reasons and more, Congress granted the Federal Communications Commission exclusive jurisdiction to regulate the provision of satellite TV programming in the Telecommunications Act of 1996. As described in detail in the letter from our outside counsel, this means that Connecticut cannot enact a bill that would impose a penalty on a satellite TV provider who does not transmit the Connecticut Television Network to all subscribers in the State. No matter how you look at it, the bill is directed at an activity that falls within the exclusive purview of the FCC—the provision of satellite TV programming. Accordingly, it is preempted by federal law.

I urge you to join me, the SBCA, and the satellite TV providers DISH Network and DIRECTV, in opposing this bill. In addition to being impossible to comply with, it clearly violates federal law.

Thank you.